

**Sudbury Finance Committee
Virtual Meeting Minutes
December 5, 2023
7:00PM**

ATTENDANCE

Members of the Finance Committee present were: Co-Chair Mike Joachim, Co-Chair Eric Poch, Andrew Bettinelli, Mike Ferrari, Susan Berry, Ryan Lynch, Hank Sorett and Maura Carty.

ABSENT

Colin Wang

ALSO ATTENDING THE MEETING

Finance Director Dennis Keohane, SPS Superintendent Brad Crozier, SPS Director of Business and Human Resources Don Sawyer, School Committee Chair Silvia Nerssessian, and School Committee Vice Chair Meredith Gerson

ITEM 1: Welcome and Member Roll Call

Co-Chair Joachim called the meeting to order at approximately 7:00PM, declared a quorum present, and roll-called members present. He read the Municipal Remote Meeting Disclaimer.

- **Opening Remarks by Co-Chairs**

- SPS joining for the budget pressures meeting. Committee will prepare for the LS budget pressures meeting.

ITEM 2: Public Comment

There was no public comment.

ITEM 3: FY25 Budget Pressures Meeting with Sudbury Public Schools

Co-Chair Joachim welcomed Superintendent Brad Crozier, Director of Business and Human Resources Don Sawyer, and School Committee Members Silvia Nerssessian and Meredith Gerson.

Mr. Lynch invited Superintendent Crozier to review the answers to Exhibit 1 to the FinCom’s budget letter. Mr. Crozier stated that SPS has used funding from the article at Fall Town Meeting to support its multiple needs. As evidenced by the SMILE and benchmarking assessments, support for academic, behavioral and mental health needs have made a difference for a number of students.

Unanticipated expenses

- Transportation, drivers in particular, support and staffing.
- Challenges in filling ABA tutor and special ed teacher positions necessitate the higher expense of hiring contracted services and developing creative ways to recruit staff.
- Changes in labor force driving unfilled positions and likely to continue into FY25.

Discussion ensued including the following highlights:

- Increase in FTEs since FY23 is not sustainable, although a cost savings is realized by providing services in district.
- 28 positions added in last two years have been in the tutor/paraprofessional category.

- Student support services are driven by IEP process and required to be in place.
- Trends show out-of-district placement lower than six years ago due to building student support services in-district and expanding district program.
- Impact on enrollment due to Cold Brook Crossing presently at approximately 35 students but not yet at full occupancy/capacity; if certain threshold of number of students is reached, mitigation funds are available.
- 7.3 FTEs were grant funded through ARPA or ESSER; with loss of those funds trend is being monitored for alternative funding.
- Forecasted budget increase over 5 year period are for level service.
- “Expect the unexpected” is the mantra for planning long-term budget which happens every year.

Revenue

- One-time adjustment of Chapter 70 funds and other grant funding not expected to continue
- Monies received from ARPA funds not built into operating budget and not impacting base services; alternative methods of budgeting are being pursued including program redesign.

Staffing

- Staff positions funded by ARPA and ESSER need to be absorbed into FY25 budget.
- 7 new FTE ABA tutors and 5.5 SPED teaching assistants needed that were not in the FY24 budget.
- Circuit breaker funds are used to “get to the next cycle of unanticipated needs.”

Teaching Services

- Insofar as student needs change, adequate response is needed at the time; however, at present FTE is right-sized to meet demand.
- Biggest priority has been to ensure mental health supports; different measures include Metrowest and other connectedness student surveys.
- Post-Covid there are multiple factors, not just virtual school, that are impacting mental health, including the social/emotional dynamics of relationships with family, friends, co-students, etc.
- Announcements of retirements can happen at any time of the year in the budget cycle; Covid had impact on average for retirements and projections used pre-2019 are not reliable.

Initiatives for FY25 Budget

- Continuation of keys to literacy program funded by Town Meeting into FY25 budget.
- Termination of \$1M in grants resulted in ways to incorporate funding in the operating budget.

Capital Projects

- Continue work on Curtis Health and Wellness Center as weather allows.
- Application for MSBA funding for the Nixon roof will be made in January; requirement that all roofs receiving MSBA funding be installed as “solar ready,” but state not involved in the solar process; services of PPA or third-party provider will be procured.
- No guarantee of funding, but initiation of planning process must wait until decision by MSBA, meaning a delay in construction until 2026 or 2027.

Enrollment

- Third party contractor projected a slight net increase in number of students: a decrease in upper grades and an increase in lower grades in FY25. Projection of over 200 student increase by FY29.
- Also seeing increases in population K-2 and monitoring trends.

Circuit Breaker

- \$1.2M forecasted, approximately \$960K received in FY23, \$620K was to be applied to FY24 budget, leaving \$340K instead of \$580K anticipated to be held in reserve for unanticipated expenses.
- Prepayment of \$400K can be used to address unexpected budget pressures such as transportation, increases in ABA tutors and special ed teaching assistants, as well as supplemental contracted work.
- School estimated to receive \$1.1M in FY24.
- School has not been notified how much Sudbury will receive of the supplemental funding approved by the Legislature.

Co-Chair Joachim will confirm the date of the SPS budget hearing presently scheduled for February 15th.

ITEM 4: Other Budget Discussion

Discussion on SPS budget pressures meeting

FinCom members expressed the following feedback:

- Increases in staffing were primarily ABA tutors and special ed assistants but not all of the FTE increases.
- New positions funded by ARPA and ESSER funds will be brought into the operating budget in FY25. With the override and 3.22% guidance, this should be possible, as last year the SPS School Committee said that the override and at least a 3.17% increase would be sufficient.
- Despite pressures, there was general optimism that the FY25 budget will continue to meet needs.
- Circuit breaker funds allow for prepayment of out-of-district costs, which frees up monies to be spent on unanticipated expenses.

Co-Chair Joachim suggested that all concerns be expressed at the budget hearing in February.

Preparation for LS budget pressures meeting

Mr. Ferrari noted that the first budget presentation is being held tonight due to LS accelerated budget timeline.

Co-Chair Joachim addressed Mr. Ferrari's question regarding two cost center letters having been issued. The second letter provided a revision in the Town's guidance due to the higher-than-expected new growth number. He suggested putting a discussion of guidance on the agenda for the December 18th meeting and inviting the Finance Director and Town Manager to provide background on the numbers for the two school systems. They will also be asked to address the policy on any new growth over 1% being allocated to capital expenses.

ITEM 5: General business

- **Transfers and other business**

There were none.

- **Liaison reports**

Ms. Carty: Park and Rec pool enterprise fund is now a deficit of \$21K and may be larger with impending closure. Field enterprise fund is positive \$17K. Phase 1 of Feeley Field is nearing completion and the RFP process is starting for Phase 2.

- **Approve meeting minutes**

Upon motion duly made by Mr. Sorett and seconded by Co-Chair Poch, it was unanimously voted to approve the minutes of October 16, October 23, and November 6, 2023 as amended. Co-Chair Joachim-Y, Co-Chair Poch-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Ms. Berry-Y, Mr. Lynch-Y, Mr. Sorett-Y and Ms. Carty-Y. Motion carried 8-0, unanimous.

October 19 minutes are tabled for redrafting by Recording Secretary.

ITEM 7: Public comment

There was no public comment.

ITEM 8: Adjournment

Upon motion duly made by Ms. Carty and seconded by Mr. Sorett, it was unanimously voted to adjourn. Co-Chair Joachim-Y, Co-Chair Poch-Y, Mr. Bettinelli-Y, Mr. Ferrari-Y, Ms. Berry-Y, Mr. Lynch-Y, Mr. Sorett-Y and Ms. Carty-Y. Motion carried 8-0, unanimous.

The meeting was adjourned at 9:08PM

Respectfully submitted,

Christine Martin Barraford
Recording Secretary